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1900). Consequently, a contumacious refusal to deliver over goods or money of the bankrupt which the District Court finds in the hands of another, who simply denies the possession, should not compel a trustee to have recourse to the State or Circuit Courts for redress.

BANKRUPTCY—LIFE POLICY—PREMIUMS AS PROPERTY TRANSFERRED.—When an insolvent continues to pay premiums on a policy of which his wife is the beneficiary, are the premius paid to be considered property transferred in fraud of creditors, and to be recoverable by the trustee? In a recent English case, *In re Harrison*, II. Q.'s B. 710 (1900), the English Act of 1883, Section 47, enabling a trustee to avoid any "settlement," made within ten years, but during insolvency, was found not to embrace such premiums. A Court which takes the ground that debentures given by an insolvent father to a son who used them in working up a profitable business do not constitute "a settlement" within the act, *In re Plummer* II. Q.'s B., 790 (1900), could not consistently consider this payment of premiums a "settlement." That term is defined as a transfer by which the money or the proceeds are to be retained in the hands of a donee, or are in such form that they can be traced, *In re Tankard* II. Q's. B., 57 (1899), at page 60, *In re Player*, L. R., 15 Q.'s. B. D., 682 (1885). Now, each premium goes to maintain the whole policy, and no one premium can be said to represent a particular part of the policy or the insurance during a particular year. *New York Life Ins. Co.* v. *Statham*, 93 U. S., 24 (1876), *In re Anchor Ins. Co.*, 5 Chan., 632 (1870), at page 638. It may no more properly be contended that the premiums for ten of the twenty-two years during which they were paid existed in the insurance money, than that the debentures existed in the son's business. RIGBY, L. J, *In re Plummer*, pp. 800, 808. If the particular precceds must be shown to represent the gift, *In re Vansittart*, 1 Q. B., 181 (1893), neither of these cases falls within the category of "settlements." *Holt* v. *Everall*, 34 Law T. (N. S.), 599, for a construction of the English Act of 1868. Under the U.S. Act of 1898, when an insolvent has paid premiums during the four months' period on a policy having no cash surrender value to himself, and payable only to his wife, the trustee in bankruptcy has no rights as regards these premiums, (*In re Slingduff*, 5 Am. B. R., 76, (Md., 1900,) unless the Insurance Co. had actual or constructive notice of the fraud. *Central Bank* v. *Hume*, 128 U. S., 195 (1888). Otherwise the creditors are powerless. *Morris* v. *Dodd*, 36 S. E., 83, (Ga., 1900). Now when the insolvent not only becomes a bankrupt but dies, why should the creditors acquire additional right? It cannot be upon the ground of benefit enuring to the wife, for in such cases a charge upon her property, as for the cost improvements defrayed by the insolvent, rests upon the theory of her request or participation. *Seasongood* v. *Ware*, 104 Ala., 212 (1894), *Isham* v. *Schaffer*, 60 Barb., 317 (1871). A mere volunteer can-

not charge a party as his debtor. *Humphrey* v. *Spencer*, 36 W. Va., 11 (1892), inconsistently concludes that a wife's participation in the fraud is requisite to set aside a deed of property given by her insolvent husband, but immaterial to charge the property for the improvements erected by him. True, *Merchants, etc.*, v. *Borland*, 53 N. J. Eq., 282 (1895), permits a recovery of premiums from the wife, but it is on the ground that the case is the same as though the husband had deposited money in a savings bank to the wife's credit—a refusal to recognize the indivisibility of the policy. But, what the result would be in a particular jurisdiction as regards premiums paid by an insolvent, would depend entirely upon the State law of fraudulent transfers, U. S. Bank Art., Sect. 67 (2), or upon the Statutes; Section 22, N. Y. Domestic Relations Law. Maryland Code, Art. 45, Sects. 8, 9, 10. Under Section 70 of the '98 act alone, the trustee could not pursue these premiums, and could not charge the insurance money in the wife's hands.

CONSTITUTIONAL LAW—TAXATION—TAX ON GROSS EARNINGS AS AN EXEMPTION.—It is a well-settled rule in interpreting our State Constitutions that a provision that "all property shall be taxed in proportion to its value," or, "taxation shall be uniform and equal throughout the State," does not prevent the Legislatures from exempting certain classes of property, wholly or in part, from taxation. *Am. & Eng. Cyc. of Law*, XXV, 61 n. 4; *Mobile & Ohio R. R.* v. *Tennessee*, 153 U. S., 486 (1893). In States which have such a constitutional provision (*e. g.*, Wis., Ill., Ia., Mo., Kan.) the rule of *Farrington* v. *Tennessee*, 95 U. S., 679 (1877), would apply, viz., that where a tax of a fixed percentage of its earnings has been imposed on a corporation in lieu of all other taxes forever, and acts are done on the faith of this offer, a contract arises in favor of the corporation irrevocable by the State. Besides a clause like that given above, the Constitution of Minnesota also contained a provision against exempting property from taxation (Const. of 1858, Art. 9, Sec. 3). It had been frequently held by the State courts that a gross earnings percentage tax was valid for a particular year notwithstanding this clause. But the question had never been raised under this clause as to the validity of a contract forever to exempt corporations from general taxes in return for a fixed percentage of the annual gross receipts. The Legislature never tried to change the rate per cent. per annum, or to impose a tax of a different kind. The question finally arose, however, in *Stearns* v. *Minnesota ex rel. Marr*, 21 Sup. Ct. Rep., 73 (December 3, 1900). An act had been passed in 1895 (L. of Minn., Ch. 168) levying an *ad valorem* tax on lands belonging to a railroad company which had previously enjoyed immunity from general taxation. The act was declared unconstitutional by the U. S. Supreme Court. A majority of the Judges seemed to think that a special constitutional amendment (passed in 1871), regarding railroad taxes, validated the unalterable contract for perpetual commutation of general taxes in return for a fixed per-